

BEFORE THE  
PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 2015-290-C

**DIRECT TESTIMONY OF FRANK BRADLEY ERWIN**  
**ON BEHALF OF FTC COMMUNICATIONS, LLC**  
**AND FTC DIVERSIFIED SERVICES, LLC**

1   **Q.   PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2   **A.**   My name is Frank Bradley Erwin. My business address is 1101 East Main Street,  
3       Kingstree, South Carolina 29556.

4   **Q.   BY WHOM AND IN WHAT CAPACITY ARE YOU EMPLOYED?**

5   **A.**   I am employed by Farmers Telephone Cooperative, Inc. as the company's CEO and have  
6       executive supervision duties over the operations of the companies owned or controlled by  
7       Farmers Telephone Cooperative, Inc., including those on whose behalf I am presenting  
8       this testimony.

9   **Q.   PLEASE BRIEFLY OUTLINE YOUR EDUCATION, TRAINING, AND**  
10   **EXPERIENCE.**

11   **A.**   I graduated from Presbyterian College in 1982 with a Bachelor of Science Degree in  
12       Business Administration. I began work with Farmers Telephone Cooperative, Inc. in  
13       June 1988 and have worked in telecommunications since and am currently serving as  
14       Vice President and Chief Executive Officer of FTC Communications, LLC ("FTC  
15       Wireless") and Chief Executive Officer of FTC Diversified Services, LLC ("FTC CLEC").

16   **Q.   ON WHOSE BEHALF ARE YOU TESTIFYING TODAY BEFORE THIS**  
17   **COMMISSION?**

1    **A.**    I am presenting testimony today on behalf of FTC Wireless and FTC CLEC. Both FTC  
2           Wireless and FTC CLEC are South Carolina limited liability companies owned by Farmers  
3           Telephone Cooperative, Inc.    FTC Wireless holds a license from the Federal  
4           Communications Commission (“FCC”) to provide wireless service in the State of South  
5           Carolina, and FTC Wireless provides such service in the State.   FTC CLEC has been  
6           operating as a competitive local exchange carrier in the State of South Carolina since 1998.

7    **Q.    WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

8    **A.**    FTC Wireless and FTC CLEC support the Petition filed by the South Carolina Telephone  
9           Coalition. The wireless service provided by FTC Wireless in the State of South Carolina  
10          is the same service that is provided by other retail wireless service providers in the State,  
11          including but not limited to Verizon Wireless, AT&T Mobility, T-Mobile, and Sprint.  
12          FTC CLEC provides competitive services in South Carolina and contributes to State USF  
13          accordingly. FTC Wireless and FTC CLEC believe that like services should be subject to  
14          the same treatment, and that failure to do so creates a disparate competitive environment.

15   **Q.    DOES FTC WIRELESS CONTRIBUTE TO THE STATE USF AS A WIRELESS**  
16   **CARRIER?**

17   **A.**    Yes. FTC Wireless was designated as an Eligible Telecommunications Carrier (“ETC”) by  
18          the Commission by Order No. 2007-805 in Docket No. 2007-193-C. Thereafter, as a result  
19          of the Commission’s finding in Order No. 2001-419 in Docket No. 1997-239-C that  
20          wireless carriers who apply for ETC status have declared an intent to offer services that  
21          compete with local telecommunications services being provided in this State, the  
22          Commission required FTC Wireless to contribute to the State Universal Service Fund  
23          (“State USF”). FTC Wireless began contributing to the State USF upon its designation as

1 an ETC in 2007 and continues to contribute to the State USF today.

2 **Q. DOESN'T FTC WIRELESS RECEIVE HIGH-COST FEDERAL SUPPORT AS A**  
3 **RESULT OF ITS DESIGNATION AS AN ETC?**

4 **A.** Yes, it does. The federal high-cost support is received for specific purposes – *i.e.*, to  
5 expand and improve wireless facilities, equipment and services to unserved and  
6 underserved rural areas where such improvements would not be made in the absence of  
7 funding. Additionally, the Federal Communications Commission (“FCC”) has capped  
8 and reduced federal high-cost support for competitive ETCs, with the goal of eliminating  
9 such support.

10 **Q. WHY SHOULD CARRIERS WHO ARE NOT DESIGNATED ETCs IN SOUTH**  
11 **CAROLINA CONTRIBUTE TO THE STATE USF?**

12 **A.** The General Assembly has already determined that all telecommunications carriers in South  
13 Carolina should contribute to State USF on an equitable basis. The only question is whether  
14 wireless services compete with local landline telecommunications services. Again, the  
15 services being provided by FTC Wireless and other wireless service providers in South  
16 Carolina are the same services. The fact that FTC Wireless has received federal dollars to  
17 expand and improve wireless facilities, equipment, and services in unserved and  
18 underserved rural areas of South Carolina – expansions and improvements that would not  
19 have been made in the absence of such funding – and to extend wireless Lifeline service to  
20 low-income areas, is not relevant to the issue before the Commission today.

21 **Q. DOES FTC CLEC CONTRIBUTE TO THE STATE USF?**

22 **A.** Yes. FTC CLEC contributes to State USF, as do all competitive telecommunications  
23 carriers in South Carolina with the exception of wireless carriers that have not been

1 designated as ETCs. Retail wireless service providers in the State provide non-wireline  
2 services that compete with landline services, and should likewise contribute to the State  
3 USF.

4 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

5 **A.** Yes.